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May 5, 2023

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19th PLAN OF DEVELOPMENT FOR THE KENAI GAS FIELD POOL 6 GAS STORAGE LEASE – ADL 390821

Hilcorp Alaska, LLC (“Hilcorp”), as Operator of the Kenai Pool 6 Gas Storage Lease (“ADL 390821”), hereby submits the proposed 19th Plan of Development for ADL 390821 (“2023 POD”) to the State of Alaska, Department of Natural Resources (“DNR”), pursuant to Section 13 of ADL 390821.

In 2022, DNR approved the 18th Plan of Development and Operations for ADL 390821 (“2021 POD”), submitted by Hilcorp. The 2022 POD was approved for the period of June 1, 2022, through July 31, 2023.

A. PERIOD

This plan will be effective from August 1, 2023, through July 31, 2024. The 2024 POD will be submitted on or before May 1, 2024.

B. 2022 GAS STORAGE DEVELOPMENT SUMMARY

The following activities follow the outline provided in Section 13 of ADL 390821. The following components meet the requirements contained in Section 13 of ADL 390821:

1) Estimated Size and Shape of the Kenai Pool 6 Gas Storage Reservoir:

- a) The Kenai Pool 6 Gas Storage Reservoir ("Pool 6") area is approximately 2,637.96 acres in size and was determined using a quarter-quarter estimate surrounding the gas storage reservoir. See the attached Exhibit A for a map of the Pool 6 outline. The area included in Pool 6 can be described as:

Township 4 North, Range 11 West, Seward Meridian, Alaska

Section 4: W1/2SW1/4, SW1/4NW1/4; 120 ac;
Section 5: All; 640 ac;
Section 6: All; 640 ac;
Section 7: All; 640 ac;
Section 8: All; 640 ac;
Section 9: W1/2NW1/4, NW1/4SW1/4; 120 ac
Section 17: NE1/4NE 1/4, W1/2NE1/4, NW1/4, N1/2SW1/4, SW1/4 SW1/4;
400 ac;
Section 18: All; 640 ac;

Township 4 North, Range 12 West, Seward Meridian, Alaska

Section 1: E1/2, E1/2W1/2; 480 ac;
Section 12: E1/2, E1/2W1/2; 480 ac;
Section 13: NE1/4, E1/2NW1/4, N1/2, SE1/4; 320

Township 5 North, Range 11 West, Seward Meridian, Alaska

Section 28: W1/2SW1/4; 80 ac;
Section 29: All; 640 ac;
Section 30: E1/2NE1/4, SW1/4NE1/4, SE1/4, SE1/4SW1/4; 320 ac;
Section 31: E1/2, SW1/4, E1/2NW1/4; 560 ac;
Section 32: All; 640 ac;
Section 33: W1/2NW1/4, SE1/4NW1/4, SW1/4; 280 ac;

Containing approximately 7,640.0 acres, more or less.

2) Estimated Volumes & Capacity: *(All Estimated In-Place Volumes are as of 12/31/2021. These estimates are subject to changes and adjustments.)*

- a) **Current Max Allowable Storage Pressure:** AOGCC Storage Injection Order #7A, Rule #6, states "The reservoir pressure for [Pool 6] shall be limited to 400

psi". Maximum reservoir pressure was increased from 300 psi to 400 psi through an administrative approval by AOGCC, effective February 22nd, 2018.

- b) **Total Storage Capacity:** Using 400 psi for maximum reservoir pressure of Pool 6 (per SIO 7A.002, Rule #6), the maximum storage capacity is estimated at 40.94 BCF.
 - c) **Total Working Capacity:** With the current compression capabilities at Kenai Gas Field, it is estimated that the Pool 6 storage wells can be drawn down to a wellhead pressure of approximately 44.7 psig. This equates to a total estimated working capacity of 34.98 BCF.
 - d) **Cumulative Gas in Storage:** Estimated total current gas in place within the Pool 6 storage reservoir at Kenai Gas Field is 20.4 BCF (as of 12/31/2021).
 - e) **Working Gas in Storage:** With the current compression capabilities at Kenai Gas Field, the working volume in the Pool 6 storage reservoir is estimated at 14.5 BCF.
- 3) **2022 POD Development Plans Achieved:** The extent to which the requirements of the previously approved plan were achieved is as follows:
- a) Hilcorp complete all planed work during the 2022 POD period.
- 4) **Development and Operations Deviating from 2022 POD:** The following are actual operations that deviated from or did not conform to the previously approved plan and an explanation of the deviation or noncompliance:
- a) KGF well KU 14X-06 producer loaded up with sand and water in November 2022 and Hilcorp was unable to return it to service. Pool 6 has been isolated in this well.

A. 2023 PLAN OF DEVELOPMENT

The following activities included in the 2023 POD follow the outline provided in Section 13 of ADL 390821. The following components of the 2023 POD meet the requirements contained in Section 13 of ADL 390821:

- 1) **Long-Range Activities:** The following are proposed long-range activities for Pool 6:
 - a) Hilcorp does not have any long-range plans at Pool 6 at this time.

2) Plans for Expansion or Contraction:

a) Hilcorp does not have any plans to expand or contract Pool 6 at this time.

3) Proposed Operations: The following are details of the proposed operations for at least one year following submission of the plan:

a) Continued gas storage operations will take place during the 2023 POD period.

b) **Facility Projects:** At this time, no major facility upgrades are planned for the 2023 POD period. However, as the need arises, Hilcorp will pursue improvements through various well, infrastructure and facility repairs.

Your approval of this proposed 2023 POD is respectfully requested. Hilcorp believes that this 2023 POD satisfies the requirements of Section 13 of ADL 390821 and is in compliance with the provisions of 11 AAC 83.303. Should you have questions, please contact the undersigned at 777-8432.

Sincerely,



Cody T. Terrell, Landman
Hilcorp Alaska, LLC

cc: Kenneth Diemer, Division of Oil and Gas (via email)
Chaitanya Borade, Cook Inlet Region, Inc. (via email)

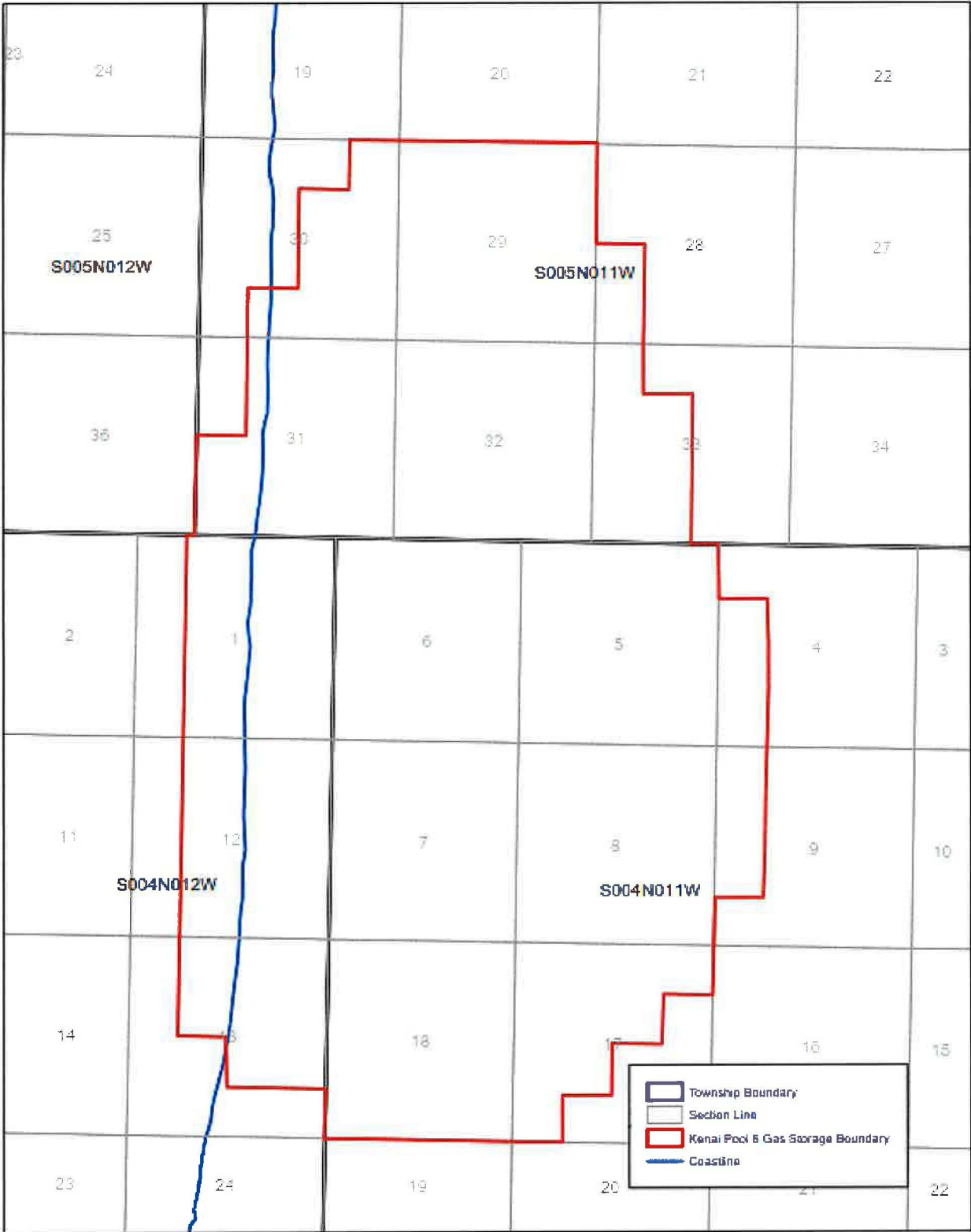


Exhibit A
Pool 6 Gas Storage Area
Kenai Pool 6 Plan of Development



0 0.5 1 Miles

Alaska State Plane Zone 4, NAD27
Map Date: 4/21/2021